FEDERAL TRADE COMMISSION



WASHINGTON, D.C. 20580

February 15, 2011

The Honorable Edward J. Markey United States House of Representatives Washington, DC 20515

Re: In-App Purchases in Children's Games

Dear Representative Markey:

Thank you for your February 8, 2011 letter concerning mobile applications that are free to download, but subsequently charge users for products and services within the applications ("in-app purchases"). We fully share your concern that consumers, particularly children, are unlikely to understand the ramifications of these types of purchases. Let me assure you we will look closely at the current industry practice with respect to the marketing and delivery of these types of applications.

Protecting consumers in the mobile marketplace is one of the current challenges faced by the Commission, and we have been ensuring that FTC staff has the tools necessary to respond to the growth of mobile commerce and conduct mobile-related investigations. Indeed, one recent case alleged that a marketing company, Reverb, deceptively endorsed gaming applications in the iTunes store.¹

We will, of course, keep you apprised of any future public developments. Thank you for bringing this matter to our attention.

Very truly yours,

Jøn Leibowitz Chairman

¹ See Press Release, "Public Relations Firm to Settle FTC Charges That It Advertised Clients' Gaming Apps through Misleading Online Endorsements" (August 26, 2010), available at http://www.ftc.gov/opa/2010/08/reverb.shtm.